

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 132 – HB 261

March 20, 2013

SUMMARY OF ORIGINAL BILL: Requires that the personal responsibility plan of an applicant for or recipient of temporary assistance pursuant to the state Families First program include that a parent or other caretaker relative ensures that every child in the family maintain satisfactory academic progress in school in addition to attending school. Failure to require a child to attend school or to maintain satisfactory academic progress, without good cause, will result in a 30 percent reduction with regard to the temporary assistance payment until such time as compliance occurs. Satisfactory academic progress is defined as complying with the attendance requirements of Title 9, Chapter 6, Part 30, and receiving a score of proficient or advanced on required state examinations in the subject areas of mathematics and reading/language arts; demonstrating competency as determined by the state board of education on two end of course examinations; or maintaining a grade point average that is sufficient to attend the next grade. A student may attend a summer school course and receive a passing grade in the course in order to achieve satisfactory academic progress in a subject area in which the student failed or scored below proficient or failed to demonstrate competency. The provisions relative to competency or grade point averages will not apply to students who have Individualized Educational Placements (IEPs) and who are not academically talented or gifted.

The failure of a parent or caretaker relative to comply with the requirement that children in the family receive immunizations and health checks, without good cause, will result in a 25 percent reduction with regard to the temporary assistance payment instead of a 20 percent reduction.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$11,900/One-Time
\$104,400/Recurring

Other Fiscal Impact – The increased reductions in temporary assistance payments imposed by the bill will result in decreased expenditures that will be used to provide benefits to other recipients of temporary assistance benefits. The amount of the decrease cannot be quantified because DHS has not provided information relative to reductions currently imposed by DHS.

SUMMARY OF AMENDMENT (004557): Deletes all language after the enacting clause. Designates the bill as the Education to End Poverty Act. Requires that the Personal Responsibility Plan include either that the children in the family attend and maintain satisfactory academic progress in school or that, if the child has an individualized education program (IEP) and is not intellectually gifted, the child attend school. Failure to comply with these requirements of the personal responsibility plan will result in the parent or caretaker receiving a child only grant until such time as compliance occurs. Reduction of a temporary assistance payment to a parent or caretaker due to a child's failure to maintain satisfactory academic progress shall be restored upon the parent or caretaker providing evidence, in person, to the Department of Human Services (DHS) that the parent or caretaker has attended two or more parent-teacher conferences; attended at least eight hours of parenting classes since the first reduction was applied; enrolled the child in and the child has attended an available and affordable tutoring program for at least eight hours per semester; or enrolled the child in summer school. The tutoring and summer school must be in the subject area that prevented the child from advancing to the next grade or from graduating. In the case of a home schooled student, the parent or caretaker must meet the parenting class or tutoring requirement. Failure to comply with the requirement in current law that the children in the family receive immunizations and health checks will result in the parent or caretaker receiving a child only grant until such time as compliance occurs.

Satisfactory academic progress is defined as a child advancing to the next grade, in accordance with state Board of Education requirements.

DHS is required to define by rule what documentary evidence will be accepted for purposes of restoring a reduction in temporary assistance payments. All documentation must be provided by the caretaker upon the recertification of the parent or caretaker's temporary assistance case. To the extent permitted by federal law, any moneys remaining as a result of reductions pursuant to the academic progress requirements must be expended in order to accomplish the duties and responsibilities of DHS and will not revert to the general fund. This requirement does not apply to reductions relative to immunizations and health checks.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increased State Expenditures – Not Significant

Other Fiscal Impact – The increased reductions in temporary assistance payments imposed by the bill will result in decreased expenditures. The decreased expenditures resulting from failure to comply with immunization and health check requirements will be used to provide benefits to other recipients of temporary assistance benefits. DHS has not provided information regarding the use of reduced expenditures resulting from failure to maintain academic progress. The amount of the decrease cannot be quantified because DHS has not provided information relative to reductions currently imposed by DHS.

Assumptions for the bill as amended:

- According to the Department of Human Services, the policy changes, training, notification of clients, and a potential increase in appeals resulting from the bill can be accommodated by the existing resources of the Department without an increased appropriation or reduced reversion.
- The increased reductions in temporary assistance payments imposed by the bill will result in decreased expenditures. The decreased expenditures resulting from failure to comply with immunization and health check requirements will be used to provide benefits to other recipients of temporary assistance benefits. DHS has not provided information regarding the use of reduced expenditures resulting from failure to maintain academic progress. The amount of the decrease cannot be quantified because DHS has not provided information relative to reductions currently imposed by DHS.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', is positioned above the printed name.

Lucian D. Geise, Executive Director

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